

About the LTD Trust

The LTD Trust was established in 2007 to manage the self-insured, employee-pay-all, Long Term Disability Plan for Faculty and Administrative and Academic Professional Staff of the University of Victoria ("the Plan").

The purpose of the Plan is to provide long-term disability benefits to faculty, administrative and academic professional staff ("Qualified Employees") of the University who are enrolled and paying contributions within the Plan.

Plan Financial Information at a Glance:

March 2023	
Number of plan members	2104
Number of active claims	79
Total amount of benefits paid	\$3,870,661
Member contributions	\$5,200,396
Market Value of Investments	\$21,004,946
Gross investment income	(\$301,092)
One-Year Plan investment return	(1.67%)
Operating expenses	\$276,980
Net assets available for benefits	\$21,216,483
Liabilities for future benefits	\$27,835,159
Funded ratio	76%

Skill Set

A broad range of Trustees from different backgrounds is desirable. All Trustees should have solid financial acumen, interpersonal and communication skills. Some may have backgrounds in finance or economics, while the majority will be from other disciplines with an interest in benefits and/or investments. It is expected that Member Trustees have been active in educating themselves on their own entitlements under the Plan and have some experience in reviewing benefit provisions and investment results.

Trustees must be willing to devote time and effort to think creatively about issues throughout the duration of their term. Preparation for meetings is essential and includes reviewing material distributed with agendas and asking questions of advisors or other Trustees for clarification of any items being discussed.

Duties and Responsibilities

The Trustees have responsibility for the administration and overall management of the Plan as outlined in the Trust Agreement between the University and the Trust. The Board of Trustees currently consists of six members and meets approximately four times each year. The duties and powers of the Trustees include:

- Maintaining an adequate reserve for the payment of future reimbursement sums to the benefit carrier, and for future administration expenses reasonably anticipated as likely to be incurred;
- Ensuring that actuarial valuations are undertaken;
- Determining the contribution rate, as guided by the Funding Policy and in light of the latest actuarial valuation, and informing the Board of Governors of the rate;
- Receiving from the University all LTD deductions from Qualified Employees' salaries;
- Authorize and direct monthly payment to the benefit carrier for the cost of LTD claims;
- Investing and re-investing Trust fund monies remaining after reimbursement of the benefit carrier, otherwise known as reserve monies;
- Retaining such investment, legal, actuarial or other expertise or assistance as considered necessary or appropriate.

Fiduciary obligation requires each Trustee act in the best interests of the members of the plan and act independently in decision-making. Each Trustee must exercise the care, diligence and skill that a person of ordinary prudence would exercise when dealing with the property of another person.

Composition

The LTD Trustees consist of three persons appointed by the university and three other persons:

- i. one of whom is nominated by the executive of the Faculty Association;
- ii. one of whom is nominated by the executive of the University of Victoria chapter of the Professional Employees Association; and
- iii. one of whom is elected by a vote of the Management Excluded Employees of the University.